

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF
VERESTAR, INC., VERESTAR
NETWORKS, INC. AND VERESTAR
INTERNATIONAL, INC. for and on
Behalf of itself and VERESTAR, INC.,
VERESTAR NETWORKS, INC. and
VERESTAR INTERNATIONAL, INC.,

Plaintiffs,

05 Civ. 6268 (RPP)

OPINION AND ORDER

- against -

AMERICAN TOWER
CORPORATION, BEAR STEARNS &
CO. INC., JUSTIN BENINCASA,
NORMAN A. BIKALES, ALAN BOX,
ARNOLD CHAVKIN, STEVEN B.
DODGE, DAVID W. GARRISON,
WILLIAM H. HESS, DAVID
KAGAN, MARC LAYNE, JACK R.
McDONNELL, MICHAEL MILSOM,
SCOTT MOSKOWITZ, STEVEN J.
MOSKOWITZ, RAYMOND
O'BRIEN, MATTHEW PETZOLD,
DAVID J. PORTE, BRADLEY E.
SINGER, JAMES TAICLET and
JOSEPH L. WINN,

Defendants.

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ROBERT P. PATTERSON, JR., U.S.D.J.

On December 27, 2005, Kasowitz, Benson, Torres & Friedman LLP, on behalf of
itself and on behalf of its client, the Official Committee of Unsecured Creditors of Verestar, Inc.,
and Verestar International, Inc., moved this Court for reconsideration of its December 15, 2005

Opinion and Order, which authorized the Bankruptcy Court to impose sanctions on Plaintiffs and their counsel for violating Rule 11 of the Federal Rules of Civil Procedure.

With respect to the finding of a violation of Rule 11, the Court will withdraw that finding in view of the Second Circuit's decision in Baffa v. Donaldson, 222 F.3d 52 (2d Cir. 2000). The plaintiffs may file any further papers they wish by January 16, 2006, to explicate why Rule 11 was not violated in this case, or may rest on the papers submitted on December 27, 2005.

IT IS SO ORDERED.

Dated: New York, New York
January 9, 2006



Robert P. Patterson, Jr.
U.S.D.J.

Copy of this Order sent to:

Counsel for the Plaintiffs

Special Litigation Counsel to the Official Committee of Unsecured Creditors of Verestar, Inc.,
et. al.

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